

mo 290008
Task ID# 7125
cc: Leslie



RECEIVED
JAN 29 2016
DIV. OF OIL, GAS & MINING

Jan. 29, 2016

Paul B. Baker, Mining Program Manager
State of Utah, Div. of Oil Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114

RE: Revisions Requested on M/045/0077 in Dec. 4, 2015 Letter

Dear Mr. Baker,

I have reviewed the comments in your Dec. 2, 2015 letter regarding Morgan Quarry M/029/0008 Surety Calculations and have addressed each of the issues in the attached revised spread sheets. The only exceptions are comment #4 where I am assuming that the safety berms will be left in place to continue keeping off road vehicles from falling over the edge of the cut. Also, I thought comment #5 doesn't apply because we maintain an approximate 1V:1H slope in all of our quarries throughout the mining process, so filling the slope back in would never be necessary. Finally, the fuel tank disposal addressed in comment #6 was included with the crusher demolition, Leslie just missed that one. I think that covers all the comments. Let me know if you need anything else.

Sincerely,

Brent R. Sumsion
Property and Environmental Manager

Bonding Calculations

Direct Costs

Subtotal Demolition and Removal	\$63,264.00
Subtotal Backfilling and Grading	\$92,024.00
Subtotal Revegetation	\$48,000.00
Direct Costs	<u>\$203,288.00</u>

Indirect Costs

Mob/Demob	\$20,329.00	10.0%
Contingency	\$10,164.00	5.0%
Engineering Redesign	\$5,082.00	2.5%
Main Office Expense	\$13,824.00	6.8%
Project Mainagement Fee	\$5,082.00	2.5%
Subtotal Indirect Costs	\$54,481.00	26.8%

Total Cost base on 2015 Costs \$257,769.00

Number of years	5
Escalation factor	0.013
Escalation	\$6,075.00

Reclamation Cost Escalated \$263,844.00

Bond Amount (rounded to nearest \$1,000) \$264,000.00
2020 Dollars on 38-Acres Bonded Area

Posted Bond

Difference Between Cost Estimate and Bond \$0.00
Percent Difference

Geneva Rock Products, Inc. - Morgan Quarry

Earthwork Costs

[illegible]

Geneva Rock Products, Inc. - Morgan Quarry

Earthwork Costs

[illegible]

Earthwork Costs

[illegible]

Earthwork Costs

[illegible]

Earthwork Costs

[illegible]

Demolition Costs

[illegible]

Geneva Rock Products, Inc. - Morgan Quarry

Demolition Costs

Ref.	Description	Materials	Means Reference Number	Unit Cost	Unit	Length	Width	Height	Diameter	Area	Volume CF	Weight	Density	Time	Number Loads	Unit	Swell Factor	Quantity	Unit	Cost	
	CRUSHER																				
	Conveyors (15)	Steel Bldg. Large	02 41 16.13 0020	0.36	/CF	70.00	4.00	4.00							15	ft		16,800.00	cf	6,048	
	Jaw Crusher/feeder	Steel Bldg. Large	02 41 16.13 0020	0.36	/CF	40.00	12.00	12.00							1	ft		11,520.00	cf	4,147	
	3-Deck 7x20 Screen	Steel Bldg. Large	02 41 16.13 0020	0.36	/CF	40.00	10.00	12.00							4	ft		19,200.00	cf	6,912	
	2- Deck 5x16 Screen	Steel Bldg. Large	02 41 16.13 0020	0.36	/CF	30.00	10.00	12.00							1	ft		3,600.00	cf	1,296	
	Cone Crusher w/ Screen	Steel Bldg. Large	02 41 16.13 0020	0.36	/CF	40.00	12.00	12.00							2	ft		11,520.00	cf	4,147	
	Control House/Tower	Steel Bldg. Large	02 41 16.13 0020	0.36	/CF	45.00	10.00	12.00							1	ft		5,400.00	cf	1,944	
	Generator - 1000 KW	Steel Bldg. Large	02 41 16.13 0020	0.36	/CF	40.00	8.00	10.00							1	ft		3,200.00	cf	1,152	
	Conex Parts Storage Container	Steel Bldg. Large	02 41 16.13 0020	0.36	/CF	40.00	8.00	8.00							1	ft		2,560.00	cf	922	
	Wash Plant	Steel Bldg. Large	02 41 16.13 0020	0.36	/CF	40.00	12.00	12.00							1	ft		5,760.00	cf	2,074	
	Misc. Pipe, legs, and Splitter	Steel Bldg. Large	02 41 16.13 0020	0.36	/CF	40.00	8.00	8.00							1	ft		2,560.00	cf	922	
	30 Miles to Allied Metals, Ogden - 20 miles covrd																				
	Total Volume of Materials																	82,120.00	cf		
	Volume of Debris																0.3	24,636.00			
	Weight of Debris												488			lb/cf		6,011	tons		
	No. of Trip 16 Tons																	376	Trip		
	Add .5Hr per round trip																				
	Hual to Recycling Center 1hr md trip	Truck Dump 16 Ton Payload	01 54 33 20 5300	\$ 692.20	Day													23.48	Day	16,254	
	Truck Driver	Truck driver, Heavy	Trhvv	\$ 57.30	HR													187.85	Hr	10,764	
	Subtotal																			56,600	
	Fuel Tank																				
	Removal of Storage Tanks	9000 gal to 12000 gal tank	02 65 10 30 0130	1,775	Ea.											1	Ea		1	Ea	1,775
	Remove Sludge, water remaining products	9000 gal to 12000 gal tank	02 65 10 30 0853	152	Ea.											1	Ea		1	Ea	152
	haul tank 100 miles round trip	9000 gal to 12000 gal tank	02 65 10 30 1029	1,150	Ea.											1	Ea		1	Ea	1,150
	Subtotal																			3,077	
	Demolition Cost Structures Disposed on Site																				
	Truck Scales	Steel Bldg. Large	02 41 16 13 0020	0.36	/CF	100	10	2								ft		2000	cf	620	
	Demolition Cost																				
	Concrete's Vol. Demolished																				
	Loading Cost																				
	Transportation Cost																				
	Disposal Costs																				
	Subtotal																			620	
	Concrete Demolition																				
	Demolition Cost																				
	Concrete's Vol. Demolished																				
	Loading Cost																				
	Transportation Cost																				
	Disposal Costs																				
	Subtotal																				
	Total																			60,297	

Geneva Rock Products, Inc. - Morgan Quarry

Demolition Costs

Ref.	Description	Materials	Means Reference Number	Unit Cost	/Unit	Length	Width	Height	Diameter	Area	Volume	Weight	Density	Time	Number	Unit	Swell Factor	Quantity	Unit	Cost
	SCALE HOUSE & SCALE FOOTINGS																			
	Deduct 50% no interior walls																			
	Structure's Demolition Cost	Mixed Materials Bldg. Large	02 41 16.13 0100	\$ 0.33	CF	40	10	10			4000							4000	CF	\$ 1,320
	Structure's Vol. Demolished																			
	Rubble's Weight (exclude steel)																			
	Truck's Capacity																			
	Haulage																			
	Transportation Cost Non Steel Truck	Truck Dump 16 ton payload	01 54 33.20 5300	\$ 533.00	/day										0	day/trip		0	day	\$ -
	Transportation Cost Non Steel Drive																	0	hr	\$ -
	Disposal Cost Non Steel	Ogden Transfer Station	BECL	\$ 26.00	Ton													60	Ton	\$ 1,560
	Steel's Weight																			
	Truck's Capacity																			
	Haulage																			
	Transportation Cost Steel Truck																			
	Transportation Cost Steel Truck Drive																			
	Disposal Cost Steel																			
	Subtotal																			\$ 2,880
	Equipment's Disposal Cost																			
	Dismantling Cost																			
	Equipment's Vol. Demolished																			
	Loading Costs																			
	Transport Costs																			
	Disposal Costs																			
	Subtotal																			
	Concrete Demolition																			
	Demolition Cost	Concrete Demolition Cost	Concrete Demo1	\$ 11.03	CY	12	4	1								ft		2	CY	\$ 22
	Concrete's Vol. Demolished																1.3	3	CY	
	Loading Cost	Front end loader wheel 3 cy	31 23 16 42 1601	1.24	CY													3	CY	\$ 4
	Transportation Cost	12CY (16 ton) Dump Truck 1/2mi. Md. Trip	31 23 23 20 0320	\$ 9.55	CY													3	CY	\$ 29
	Disposal Costs	Disposal on site	02 41 16 17 4200	\$ 10.80	/CF							0						3	CY	\$ 32
	Subtotal																			\$ 87
	Concrete Demolition																			
	Demolition Cost																			
	Concrete's Vol. Demolished																			
	Loading Cost																			
	Transportation Cost																			
	Disposal Costs																			
	Subtotal																			
	Concrete Demolition																			
	Demolition Cost																			
	Concrete's Vol. Demolished																			
	Loading Cost																			
	Transportation Cost																			
	Disposal Costs																			
	Subtotal																			
	Total																			\$ 2,967

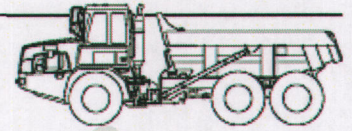
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Rental Rate Blue Book®

January 29, 2016

Caterpillar 725

Articulated Rear Dumps



Size Class:

Rated Tonnage Capacity 20 - 25 MTons

Weight:

49,075 lbs.

Configuration for 725

Power Mode	Diesel	Rated Payload	23.6 t
Body Capacity (Struck--Heaped)	14.3 cy	Axle Configuration	6 X 6
Net Horsepower	301.0 hp		

Blue Book Rates

** FHWA Rate is equal to the monthly ownership cost divided by 176 plus the hourly estimated operating cost.

	Ownership Costs				Estimated Operating Costs	FHWA Rate**
	Monthly	Weekly	Daily	Hourly	Hourly	Hourly
Published Rates	\$10,255.00	\$2,870.00	\$720.00	\$110.00	\$47.20	\$105.47
Adjustments						
Region (Utah: 89.8%)	(\$1,046.01)	(\$292.74)	(\$73.44)	(\$11.22)		
Model Year (100%)	-	-	-	-		
Ownership (100%)	-	-	-	-		
Operating (100%)					-	
Total:	\$9,208.99	\$2,577.26	\$646.56	\$98.78	\$47.20	\$99.52

Rate Element Allocation

Element	Percentage	Value
Depreciation (ownership)	36%	\$3,691.80 / mo
Overhaul (ownership)	49%	\$5,024.95 / mo
CFC (ownership)	9%	\$922.95 / mo
Indirect (ownership)	6%	\$615.30 / mo
Fuel (operating) @ \$3.46	44%	\$20.83 / hr

Revised Date: 2nd Half 2015

Rental Rate Blue Book®

January 29, 2016

Caterpillar 325D L (disc. 2009)

Crawler Mounted Hydraulic Excavators



Size Class:

Operating Weight 28.1 - 33.0 MTons

Weight:

64,500 lbs.

Configuration for 325D L

Power Mode	Diesel	Bucket Capacity - Heaped	1.44 cy
Operating Weight	29.2 t	Net Horsepower	188.0 hp

Equipment Notes: General Purpose bucket included in rate, unless otherwise noted.

Blue Book Rates

** FHWA Rate is equal to the monthly ownership cost divided by 176 plus the hourly estimated operating cost.

	Ownership Costs				Estimated Operating Costs	FHWA Rate**
	Monthly	Weekly	Daily	Hourly	Hourly	Hourly
Published Rates	\$11,840.00	\$3,315.00	\$830.00	\$125.00	\$65.55	\$132.82
Adjustments						
Region (Utah: 89.5%)	(\$1,243.20)	(\$348.08)	(\$87.15)	(\$13.13)		
Model Year (100%)	-	-	-	-		
Ownership (100%)	-	-	-	-		
Operating (100%)					-	
Total:	\$10,596.80	\$2,966.92	\$742.85	\$111.87	\$65.55	\$125.76

Rate Element Allocation

Element	Percentage	Value
Depreciation (ownership)	36%	\$4,262.40 / mo
Overhaul (ownership)	47%	\$5,564.80 / mo
CFC (ownership)	10%	\$1,184.00 / mo
Indirect (ownership)	7%	\$828.80 / mo
Fuel (operating) @ \$3.46	42%	\$27.32 / hr

Revised Date: 2nd Half 2015